

Message Text

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ACTION EB-08

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FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 9237

C O N F I D E N T I A L JAKARTA 7416

E.O. 11652: GDS

TAGS: ETRD, ELAB, ID

SUBJECT: REQUEST FOR INFORMATION ON LABOR STANDARDS

REF: STATE 136706

1. SUMMARY: THERE ARE NO LAWS OR PRACTICES ON LABOR STANDARDS THAT ARE NOT APPLIED EQUALLY TO DOMESTIC AND EXPORT INDUSTRIES. INDONESIAN SAFETY LEGISLATION IS COMPREHENSIVE IN SCOPE BUT NOT ALWAYS ENFORCED IN PRACTICE. WITH THE EXCEPTION OF GOVERNMENT OWNED ENTERPRISES, UNIONS ARE ENCOURAGED IN WORK PLACES. END SUMMARY.

2. FOLLOWING ANSWERS ARE KEYED TO QUESTIONS ASKED IN PARA 3
REFTEL.

A) SLAVERY OR OTHER FORMS OF FORCED LABOR ARE NOT PRACTICED IN INDONESIA.

B) INDONESIAN LABOR LAW DEFINES "CHILD" AS A MALE OR FEMALE PERSON OF 14 YEARS OF AGE OR LESS AND "YOUNG PERSON" AS A MALE OR FEMALE PERSON OVER THE AGE OF 14 BUT UNDER THE AGE OF 18. UNDER BASIC LABOR ACT OF 1948 AS AMENDED ON JANUARY 6, 1951, CHILDREN ARE NOT PERMITTED TO WORK. EMPLOYMENT OF YOUNG PERSONS IS PROHIBITED IN SPECIFIC SITUATIONS SUCH AS NIGHT WORK AND MANUAL LABOR IN MINES.

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HOWEVER, ABOUT 3 1/2 MILLION CHILDREN AGE 10-14 OR 7.5 PERCENT OF THE WORK FORCE, WERE LISTED AS WORKING IN THE 1976 INTERCENSAL POPULATION SURVEY. AONLY ABOUT 33 PERCENT OF THE TOTAL WORKFORCE IN INDONESIA ARE PAID EMPLOYEES. THE REST OF THE POPULATION IS ENGAGED IN SELF-EMPLOYMENT OR FAMILY EMPLOYMENT SUCH AS FARMING, HANDICRAFTS, OR FOOD PROCESSING. WE ESTIMATE THAT A

LARGE PROPORTION OF CHILD LABOR IS IN UNPAID FAMILY EMPLOYMENT WITH ONLY TEXTILE AND CIGARETTE INDUSTRIES HAVING MANY CHILD WORKERS. EMPLOYMENT OF CHILDREN IN EXPORT ORIENTED OR IMPORT SUBSTITUTION INDUSTRIES IS NOT CONSIDERED SIGNIFICANT ALTHOUGH, IN PRACTICE, ENFORCEMENT OF THE LAW AGAINST CHILD LABOR IS LAX, ESPECIALLY IN SMALL ENTERPRISES AND HANDICRAFT INDUSTRY.

C) SAFETY AT THE WORK PLACE HAS BEEN COVERED BY LAWS DATING BACK TO DUTCH COLONIAL PERIOD, PRIMARILY REGARDING FIRE HAZARDS AND WORK ON EXPLOSIVE SUBSTANCES. GOI ACT NO. 1 OF 1970 ON SAFETY PROMULGATED ON JAN. 12, 1970 REPLACED MUCH OF THE EARLIER LEGISLATION. THE SAFETY ACT IS COMPREHENSIVE IN SCOPE. IT REGULATES ALL ASPECTS OF INDUSTRIAL SAFETY INCLUDING PREVENTION OR CONTROL OF THE INCIDENCE OF OCCUPATIONAL DISEASE, WHETHER PHYSICAL OR PSYCHOLOGICAL, POISONING, INFECTION OR CONTAGION. SUPPLEMENTAL LEGISLATION HAS BEEN ENACTED REGULATING SPECIFIC INDUSTRIES OR PRODUCTS SUCH AS GOVERNMENT REGULATION NO. 7 OF 1973 ON CONTROL OF THE SALE, STORAGE AND USE OF PESTICIDES AND SPECIAL PROVISIONS CONCERNING COMPRESSED GASES IN STEEL CONTAINERS, CYLINDERS OR VESSELS. SPECIAL PROVISIONS REGARDING FACTORIES OR WORK PLACES IN WHICH DRY WHITE-LEAD IS USED OR PROCESSED ARE REGULATED BY DECISION NO. 3/BB.3/P62 OF DECEMBER 1962 BY THE SAFETY INSPECTION SERVICE.

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ENFORCEMENT OF PERTINENT REGULATIONS ON SAFETY IS SEVERELY INHIBITED BY THE SMALL NUMBER AND LOW SALARY OF SAFETY INSPECTORS. IN SOME CASES WHERE GOVERNMENT AUTHORITIES AND EMPLOYERS ARE ENDEAVORING TO REDUCE THE INCIDENCE OF OCCUPATIONAL DISEASE THEY ARE FURTHER HANDICAPPED BY LACK OF MEDICAL AND OTHER TESTING FACILITIES. EMBASSY OFFICER HAS VISITED A PLYWOOD FACTORY WHERE CONTINUOUS CONTACT WITH CHEMICALS USED IN PLYWOOD PROCESSING CAN LEAD TO SERIOUS SICKNESS AND DEATH. MASKS AND PROTECTIVE CLOTHING ARE REQUIRED AND WORN BUT SOPHISTICATED MEDICAL TESTING FACILITIES ARE LACKING. SERIOUS HARM TO SOME WORKERS TAKES PLACE BEFORE THE GOVERNMENT CLINICS ARE ABLE CORRECTLY TO DIAGNOSE THE MEDICAL PROBLEM.

D) THERE ARE NO DIFFERING LABOR STANDARDS APPLIED TO FREE TRADE ZONES, EXPORT OR IMPORT SUBSTITUTION INDUSTRIES OR FOREIGN MANUFACTURING INDUSTRIES. TO THE CONTRARY, EXPORT MANUFACTURING ENTERPRISES HAVE BEEN EARLY TARGETS FOR UNIONIZATION, PARTICULARLY IN THE

ELECTRONICS FIELD. THE TEXTILE INDUSTRY, SO FAR NOT A LARGE EXPORTER, IS STILL GENERALLY NON-UNION BUT MINISTRY

OF MANPOWER REGULATION OF MARCH 28, 1978 REQUIRES ALL
EMPLOYERS WITH MORE THAN 25 EMPLOYEES TO RECOGNIZE LOCAL
UNIONS AND NEGOTIATE COLLECTIVE LABOR AGREEMENTS WITHIN
THE NEXT TWO YEARS. IN PRACTICE, IT WILL TAKE SOME
TIME FOR UNIONS TO ORGANIZE AND NEGOTIATE AGREEMENTS
BUT THERE IS NO DIFFERENTIATION BETWEEN EXPORT AND
DOMESTIC INDUSTRY.
MASTERS

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